

BRIDGE & TANK COMPANY OF CANADA LIMITED

AR29

INFORMATION CIRCULAR SOLICITATION OF PROXIES

This Information Circular is furnished in connection with the solicitation by the management of Bridge & Tank Company of Canada Limited (the "Corporation") of proxies to be used at the Annual Meeting of Shareholders of the Corporation to be held at the time and place and for the purposes set forth in the accompanying Notice of Meeting. It is expected that the solicitation will be primarily by mail. The total cost of solicitation by or on behalf of the management of the Corporation will be borne by the Corporation.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the enclosed form of proxy are Directors of the Corporation. **A Shareholder has the right to appoint a person (who need not be a shareholder) to attend and act for him and on his behalf at the meeting other than the person designated in the white or blue form of proxy, as the case may be, accompanying this Information Circular.** In either case, a Shareholder desiring to appoint some other person to represent him at the meeting may do so either by inserting such person's name in the blank space provided in the form of proxy or by completing another proper form of proxy and, in either case, delivering the completed proxy to the Secretary of the Corporation before the time of the meeting. A Shareholder who has given a proxy may revoke it either (a) by signing a proxy bearing a later date and delivering it to the Secretary of the Corporation before the time of the meeting, or (b) as to any matter on which a vote shall not already have been cast pursuant to the authority conferred by such proxy, by signing written notice of revocation and delivering it either to the head office of the Corporation at anytime up to and including the last business day preceding the day of the meeting, or any adjournment thereof, or to the Secretary of the Corporation or the Chairman of the meeting on the day of the meeting, or any adjournment thereof. The written notice of revocation may be executed by the Shareholder or by his attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized.

EXERCISE OF DISCRETION BY PROXIES

The persons named in the enclosed form of proxy will vote the shares in respect of which they are appointed in accordance with the direction of the shareholders appointing them. **In the absence of such direction, such shares will be voted for the approval of the auditor's report and financial statements, for the election of Directors and the appointment of auditors and for the authorization to the Directors to fix the auditor's remuneration as stated under those headings in this Information Circular.** The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the meeting. At the time of printing this Information Circular the management of the Corporation knows of no such amendments, variations or other matters to come before the meeting other than the matters referred to in the Notice of Meeting. However, if any other matters which are not now known to the management should properly come before the meeting, the form of proxy will be voted on such matters in accordance with the best judgment of the persons voting the proxy. The shares represented by the enclosed form of proxy will be voted as hereinbefore provided on any ballot that may be called for.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

Holders of common shares without any nominal or par value (hereinafter referred to as "common shares") of the Corporation of record at the time of the meeting will be entitled to vote at such meeting and to one vote in respect of each share held at such time. The provisions attaching to the \$2.90 Sinking Fund Preference Shares (hereinafter referred to as "preference shares") of the Corporation state in effect that the holders of preference shares shall not be entitled as such to receive notice of or to attend any meeting of the shareholders of the Corporation (except for certain limited purposes) and shall not be entitled to any vote at any such meeting unless and until the Corporation from time to time shall fail to pay in the aggregate six quarterly dividends on the preference shares on the dates on which

the same should be paid whether or not consecutive. The Corporation did in fact fail to pay in the aggregate six quarterly dividends and, as at the date hereof, the dividends on the preference shares are still in arrears to the extent of twelve quarterly dividends or \$8.70 in the aggregate for each preference share. In the result, each holder of preference shares of record at the time of the meeting will be entitled to vote at the meeting, and to one vote in respect of each preference share held at such time. At April 1, 1973, 32,017 preference shares and 1,043,694 common shares of the Corporation were outstanding.

To the knowledge of the Directors or senior officers of the Corporation, the following were at April 1, 1973, the only beneficial owners directly or indirectly, of equity shares of the Corporation which carry more than 10% of the voting rights attached to all equity shares in the Corporation.

Name of shareholder	Approximate number of common and preference shares owned	Percentage of common and preference shares represented
York Steel Construction Limited	Common 938,369	
	Preference 6,407	
	<hr/>	
	944,776	87.8%

ELECTION OF DIRECTORS

The number of Directors of the Corporation is now ten. Pursuant to provisions attaching to the preference shares and because of the arrears of dividends as previously referred to, the holders of preference shares will be entitled, voting separately as a class at the meeting, to elect 3 members of the board of directors of the Corporation. The following are the names of the 3 persons who were elected at the annual and general meeting of shareholders held on April 25, 1972, by the holders of preference shares as a class and whose term of office expires with the holding of the Annual Meeting of May 1, 1973: H. B. Martin, Harold Tanenbaum and Max Tanenbaum. Each of such 3 directors is eligible for re-election and accordingly the form of instrument of proxy which is being forwarded for the use of holders of preference shares has been drawn in the favour of Messrs. H. B. Martin, Harold Tanenbaum and Max Tanenbaum and it is intended that votes will be cast for their election by the holders of preference shares as a class pursuant to the proxies of such holders which are hereby solicited.

Seven Directors of the Corporation are to be elected by all shareholders (common and preference) entitled to vote at the Annual Meeting and the following are the names of the 7 persons for whom it is intended that votes will be cast for their election as Directors pursuant to the proxies which are hereby solicited: W. A. Andres, M. A. Cooper, J. S. Gairdner, V. G. Lamont, H. C. Rynard, Howard Tanenbaum and Joseph M. Tanenbaum. Management does not contemplate that any nominees will be unable to serve as a director, but if that should occur for any reason prior to the meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee in their discretion. All such persons were elected directors of the Corporation at the Annual and General Meeting of Shareholders held on April 25, 1972.

Each Director elected will hold office until the next Annual Meeting or until his successor is elected or appointed.

In the event that prior to the Annual Meeting any vacancies occur in the slates of 3 nominees or of 7 nominees, as the case may be, submitted herewith, it is intended that discretionary authority shall be exercised to vote the proxies for the election of any other person or persons as Directors.

**INFORMATION CONCERNING 3 NOMINEES AS DIRECTORS
FOR ELECTION BY HOLDERS OF PREFERENCE SHARES AS A CLASS**

Name and office	Present principal occupation	Period served as a director	Approximate number of common shares of the Corporation beneficially owned, directly or indirectly as of April 1, 1973
*H. B. Martin, Director	President, Empire Stamp Corporation Limited, dealers in philatelic supplies	Since April 30, 1964	3,120
**Harold Tanenbaum, Chairman of the Board and Director	Vice-President and Secretary-Treasurer, York Steel Construction Limited, a structural steel contractor	Since October 1, 1971	.....
**Max Tanenbaum, *Director	President, York Steel Construction Limited, a structural steel contractor	Since October 1, 1971	15,000

* As at April 1, 1972, Messrs. H. B. Martin and Max Tanenbaum also beneficially owned, directly or indirectly, 3,780 and 1,893 preference shares of the Corporation respectively. Of Mr. Max Tanenbaum's 15,000 common shares 1,200 are beneficially owned by an associate.

Mr. H. B. Martin is Vice-Chairman of the Executive Committee of the Board.

**INFORMATION CONCERNING 7 NOMINEES AS
DIRECTORS FOR ELECTION BY ALL SHAREHOLDERS**

Name and office	Present principal occupation	Period served as a director	Approximate number of common shares of the Corporation beneficially owned, directly or indirectly as of April 1, 1973
W. A. Andres, Director	Vice-President, Finance, Pinetree Development Co. Ltd., 1969 to 1972, previously associated with Clarkson, Gordon & Co., chartered accountants	Since October 1, 1971	.....
M. A. Cooper, Director	President and Managing Director, Falconbridge Nickel Mines Limited, a mining corporation	Since October 31, 1966	300
J. S. Gairdner, Director	Chairman of the Board, The Glengair Group Limited. An operating and investment corporation. Chairman of the Board, Gairdner & Company Limited, investment dealers	Since February 8, 1954	.....
V. G. Lamont, President and Director	Executive of the Corporation and subsidiary corporations	Since January 30, 1968	.....
**Howard Tanenbaum, Director	Solicitor, member of the legal firm of Stitt, Baker & McKenzie	Since October 1, 1971	50
**Joseph M. Tanenbaum, Director	Vice-President, York Steel Construction Limited, a structural steel contractor	Since October 1, 1971	.....
H. C. Rynard, Director	President, Acres Limited President, Acres Consulting Services Limited, engineering companies	Since April 25, 1972	200

** The associates of the foregoing persons and the number of equity shares of the Corporation beneficially owned directly or indirectly by such person and their respective associates are set out below:

Person	Associate	Common shares	Preference shares
Harold Tanenbaum			
Howard Tanenbaum			
Joseph M. Tanenbaum			
Max Tanenbaum			
	York Steel Construction Limited	953,419	8,300

All of the common shares of York Steel Construction Limited are beneficially owned by Tanenbaum Brothers Limited. Each of Messrs. Harold Tanenbaum, Howard Tanenbaum and Joseph M. Tanenbaum owns more than 10% of the equity shares of Tanenbaum Brothers Limited. The equity shares owned by these individuals (or associates of these individuals) in the aggregate carry more than 10% of the voting rights attached to all equity shares of the Corporation. There are no other persons beneficially owning equity shares carrying more than 10% of the voting rights attached to all equity shares of the Corporation.

REMUNERATION OF MANAGEMENT

During the last completed fiscal year ended December 31, 1972, the aggregate direct remuneration paid or payable by the Corporation and its subsidiaries to the Directors and senior officers of the Corporation as a group was \$149,592.

The estimated aggregate cost to the Corporation and its subsidiaries in the last completed fiscal year ended December 31, 1972, of all pension benefits proposed to be paid to the Directors and senior officers of the Corporation as a group in the event of retirement at normal retirement age, directly or indirectly by the Corporation or any of its subsidiaries under their normal pension plans was \$8,693.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The Corporation has purchased from York Steel Construction Limited, an associate of the Corporation, specially cut steel and production machinery and equipment. These products were acquired by the Corporation in the ordinary course of business at fair market values and these transactions represent more than ten percent pro-rata of the Corporation's purchases of steel and machinery and equipment. The Corporation has sold to York Steel Construction Limited at fair market value prices, fabricated structural steel to the value of \$565,228.

APPOINTMENT OF AUDITORS

The persons named in the enclosed form of proxy intend to vote for the reappointment of the firm of Peat, Marwick, Mitchell & Co., Chartered Accountants, Hamilton, as auditors of the Corporation, to hold office until the next Annual Meeting of Shareholders, at a remuneration to be fixed by the board of directors of the Corporation. Peat, Marwick, Mitchell & Co. have been auditors of the Corporation for more than five years.

APPROVAL OF ACTS OF DIRECTORS

The persons named in the enclosed form of proxy intend to approve and confirm the acts and proceedings of the Directors and officers of the Corporation for the year ended December 31, 1972, as disclosed or referred to in the minute books and records of the Corporation or in the Financial Statements of the Corporation.

MISCELLANEOUS

The Management of the Corporation knows of no other matters which are likely to be brought before the meeting. However, if any other matters of which the Management is not now aware are properly presented to the meeting for action, it is the intention of the persons named in the accompanying form of proxy to vote said proxy in accordance with their best judgment on such matters.

By Order of the Board,

J. BRACEWELL,
Secretary.

The undersigned hereby certifies that the information given in this proxy Information Circular is true and complete in every respect to the best of my knowledge and belief.

BRIDGE & TANK COMPANY OF CANADA LIMITED.

Per: J. BRACEWELL,

Secretary.

Dated as of April 1, 1973.

BRIDGE & TANK COMPANY OF CANADA LIMITED

390 GAGE AVE. NORTH, HAMILTON, ONTARIO

AR29

ANNUAL MEETING OF SHAREHOLDERS

TAKE NOTICE that the annual meeting of shareholders of BRIDGE & TANK COMPANY OF CANADA LIMITED (hereinafter called the "Company") will be held in the Tudor Room of the Royal York Hotel, 100 Front Street West, Toronto, Ontario, on Tuesday, the 30th day of April, 1968, at the hour of 11 o'clock in the forenoon (Toronto time) for the following purposes:

- (1) To receive the annual report and the consolidated financial statements of the Company and its subsidiaries for the year ended December 31, 1967, and the report of the auditors thereon;
- (2) To elect directors and appoint auditors; and
- (3) To transact such other business as may properly come before the meeting or any adjournment or adjournments thereof.

DATED at Hamilton this 5th day of April, 1968.

By Order of the Board,

T. B. JUDD,

Secretary.

NOTE: If you are not able to be present personally at the meeting kindly date, execute and return in the envelope provided for that purpose the enclosed blue form of instrument of proxy if you are a holder of \$2.90 Sinking Fund Preference Shares, or the enclosed white form of instrument of proxy if you are a holder of Common Shares without any nominal or par value, or both such forms if you are a holder of shares of both classes.

INFORMATION CIRCULAR

The information contained in this circular is furnished in connection with the solicitation of proxies by or on behalf of the management of BRIDGE & TANK COMPANY OF CANADA LIMITED (hereinafter sometimes called the "Company") for use at the annual meeting of the shareholders of the Company to be held in the Tudor Room of the Royal York Hotel, 100 Front Street West, Toronto, Ontario, on Tuesday, the 30th day of April, 1968, at the hour of 11 o'clock in the forenoon (Toronto time) for the purposes set forth in the foregoing notice of meeting. It is expected that such solicitation will be primarily by mail. Proxies may also be solicited personally by regular employees of the Company at nominal cost. The cost of solicitation by or on behalf of the management will be borne by the Company.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

Holders of common shares without any nominal or par value (hereinafter referred to as "common shares") of the Company of record at the time of the meeting will be entitled to vote at such meeting and to one vote in respect of each share held at such time. The provisions attaching to the \$2.90 Sinking Fund Preference Shares (hereinafter referred to as "preference shares") of the Company state in effect that the holders of preference shares shall not be entitled as such to receive notice of or to attend any meeting of the shareholders of the Company (except for certain limited purposes) and shall not be entitled to any vote at any such meeting unless and until the Company from time to time shall fail to pay in the aggregate six quarterly dividends on the preference shares on the dates on which the same should

be paid whether or not consecutive. The Company did in fact fail to pay in the aggregate six quarterly dividends and, as at the date hereof, the dividends on the preference shares are still in arrears to the extent of four quarterly dividends or \$2.90 in the aggregate for each preference share. In the result, each holder of preference shares of record at the time of the meeting will be entitled to vote at the meeting, and to one vote in respect of each preference share held at such time. At April 1, 1968, the Company had outstanding 32,017 preference shares and 1,043,694 common shares.

To the knowledge of the directors or senior officers of the Company, the following were at April 1, 1968 the only beneficial owners, directly or indirectly, of equity shares of the Company which carry more than 10% of the voting rights attached to all equity shares of the Company:

Name of shareholder	Approximate number of common shares	Percentage of outstanding common shares represented
Trafalgar Investments Co. Limited	872,415	81.1%

ELECTION OF DIRECTORS

The number of directors of the Company is now 13. Pursuant to provisions attaching to the preference shares and because of the arrears of dividends as previously referred to, the holders of preference shares will be entitled, voting separately as a class at the meeting, to elect 3 members of the board of directors of the Company. The following are the names of the 3 persons who were elected at the annual meeting of shareholders held on the 3rd day of May, 1967, by the holders of preference shares as a class and whose term of office expires with the holding of the annual meeting on April 30, 1968: R. L. Hearn, W. F. James and H. B. Martin. Each of such 3 directors is eligible for re-election and it is intended that votes will be cast for their election by the holders of preference shares as a class pursuant to the proxies of such holders which are hereby solicited.

10 directors of the Company are to be elected by all shareholders (common and preference) entitled to vote at the annual meeting and the following are the names of the 10 persons whose term of office expires with the holding of the annual meeting and for whom it is intended that votes will be cast for their election as directors pursuant to the proxies which are hereby solicited: M. A. Cooper, J. A. Durfey, J. S. Gairdner, V. L. Johnson, V. G. Lamont, D. A. McIntosh, W. B. Nicol, W. J. R. Paton, H. I. Price and Trumbull Warren.

The term of office for each such nominee will be until the next annual meeting or until his successor is elected or appointed. In the event that prior to the annual meeting any vacancies occur in the slate of 3 nominees or of 10 nominees, as the case may be, submitted herewith, it is intended that discretionary authority shall be exercised to vote the proxies for the election of any other person or persons as directors.

INFORMATION CONCERNING 3 NOMINEES AS DIRECTORS FOR ELECTION BY HOLDERS OF PREFERENCE SHARES AS A CLASS

Name and office	Present principal occupation	Period served as a director	Approximate number of common shares of the Company beneficially owned, directly or indirectly as of April 1, 1968
R. L. Hearn, Director	Consulting Engineer	Since May 27, 1957	200
W. F. James, Director	Partner, James, Buffam & Cooper, a firm of consulting geologists	Since October 4, 1962	100
H. B. Martin, Director	President, Empire Stamp Corporation Limited, dealers in philatelic and numismatic supplies	Since April 30, 1964	2,680*

* As at April 1, 1968, Mr. H. B. Martin also beneficially owned, directly or indirectly, 3,875 preference shares of the Company.

Mr. H. B. Martin is Vice Chairman and he and Mr. R. L. Hearn are members of the Executive Committee of the Board.

The principal occupations as shown above of such nominees have not changed within the last 5 years.

**INFORMATION CONCERNING 10 NOMINEES AS
DIRECTORS FOR ELECTION BY ALL SHAREHOLDERS**

Name and office	Present principal occupation	Period served as a director	Approximate number of common shares of the Company beneficially owned, directly or indirectly as of April 1, 1968
M. A. Cooper, Director	President, McIntyre Porcupine Mines Limited, a mining, exploration and investment company	Since October 31, 1966	300
J. A. Durfey, Vice President—Finance, Treasurer and Director	Executive of the Company and of subsidiary companies	Since May 3, 1967	45*
J. S. Gairdner, Director	President, The Glengair Group Limited, an operating and investment company; Chairman of the Board, Gairdner & Company Limited, investment dealers	Since February 8, 1954	.....
V. L. Johnson, Director	Vice President, American Sugar Company, a sugar refining company	Since January 5, 1965	1,600
V. G. Lamont, Vice President—Sales, and Director	Executive of the Company and of subsidiary companies	Since January 30, 1968	.....
D. A. McIntosh, Q.C., Director	Partner, Fraser, Beatty, Tucker, McIntosh & Stewart, a Toronto legal firm	Since October 4, 1962	100
W. B. Nicol, President, General Manager and Director	Executive of the Company and of subsidiary companies	May 9, 1961, to September 24, 1962, and since September 20, 1967*
W. J. R. Paton, Director	President and General Manager, Atlantic Sugar Refineries Co. Ltd., a sugar refining and investment company	Since April 30, 1963	1
H. I. Price, Chairman of the Board and Director	Chairman of the Board, Harry Price, Hilborn Insurance Limited, a general insurance agency	Since April 2, 1962	600
Trumbull Warren, Vice Chairman of the Board and Director	President, Rheem Canada Limited, a manufacturer and seller of steel drums and containers and hot water heaters	Since August 9, 1960	125

* As at April 1, 1968, Messrs. J. A. Durfey and W. B. Nicol beneficially owned, directly or indirectly, 35 and 20 preference shares of the Company respectively.

Mr. Trumbull Warren is Chairman and he and Messrs. J. S. Gairdner, V. L. Johnson and H. I. Price are members of the Executive Committee of the Board. Mr. J. A. Durfey is Secretary of the Executive Committee.

The principal occupations as shown above of such nominees have not changed within the last 5 years except as follows:

- (a) Mr. M. A. Cooper was a partner of James, Buffam and Cooper, a firm of consulting geologists, until August, 1967; and
- (b) Mr. J. S. Gairdner was President of Gairdner & Company Limited until May, 1965, when he was elected Chairman of the Board of that Company.

REMUNERATION OF MANAGEMENT

During the fiscal year ended December 31, 1967, the aggregate direct remuneration paid or payable by the Company and its subsidiaries to the directors and senior officers of the Company as a group was \$212,426.

The estimated aggregate cost to the Company and its subsidiaries in the year ended December 31, 1967, of all pension benefits proposed to be paid to directors and senior officers as a group in the event of retirement at normal retirement age, directly or indirectly, by the Company or any of its subsidiaries under their normal pension plans was \$12,750.

APPOINTMENT OF AUDITORS

It is intended to vote the proxies to appoint the firm of Peat, Marwick, Mitchell & Co., Chartered Accountants, of Toronto, as the auditors of the Company. Peat, Marwick, Mitchell & Co. have been auditors of the Company for more than five years.

VOTING OF PROXIES

A shareholder has the right to appoint a person (who need not be a shareholder) to attend and act for him and on his behalf at the meeting other than the persons designated in the white or blue form of proxy, as the case may be, accompanying this information circular. In either case, to exercise this right the shareholder may insert the name of the desired person in the blank space provided in the appropriate form of proxy and strike out the other names or may submit another appropriate proxy.

The shares represented by the proxies will be voted.

Each form of proxy confers discretionary authority with respect to amendments or variations to matters identified in the notice of meeting and other matters which may properly come before the meeting.

It is not intended to use the proxies for the purpose of voting upon the annual report and the consolidated financial statements of the Company and its subsidiaries for the year ended December 31, 1967, and the report of the auditors thereon.

A shareholder executing one of the accompanying forms of proxy has the power to revoke it at any time before it is exercised. Section 75a. (4) of The Corporations Act (Ontario), as amended, sets out a procedure for revoking proxies by the deposit of an instrument in writing at the head office of the Company at any time up to and including the last business day preceding the day of the annual meeting or with the Chairman of such meeting.

GENERAL

The management knows of no matters to come before the meeting other than the matters referred to in the foregoing notice of meeting. However, if any other matters which are not now known to the management should properly come before the meeting, the proxies will be voted on such matters in accordance with the best judgment of the person or persons voting the proxies.

Dated as of the 1st day of April, 1968.



Bridge & Tank

COMPANY OF CANADA LIMITED

Net earnings for the six months ending June 30, 1978 were \$186,547 (.13 per common share) on sales of \$11,234,355 compared to net earnings of \$273,242 (.22 per common share) on sales of \$11,028,345 for the same period in 1977.

The second quarter earnings of \$185,105 reflect a marked improvement over first quarter earnings when the fabricating plants operated at 40% of capacity resulting in a break even situation in the first quarter. Although second quarter operations were close to 55% capacity, further increases in fabrication volume will be required to attain satisfactory earnings.

All divisions operated profitably during the second quarter. The Hamilton Bridge Division recorded a further increase in warehousing sales, however this increase was offset by a decrease in the value of contracts completed compared to the same period in 1977. The Western Division, while profitable in the second quarter incurred a marginal loss for the six months ending June 30, 1978. The Crane Rental Division Sales and Earnings were lower than for the same period in the previous year due to the depressed conditions in the Construction industry.

The Company's sales backlog at June 30, 1978 was \$5,200,000 in the Hamilton Division and \$900,000 in the Western Division, a 20% increase over the backlog at March 31, 1978 sufficient to provide for continued operation through the fourth quarter.

The Company reached a settlement with the United Steelworkers Union covering the hourly rated personnel at the Hamilton Bridge Division that provides a three year agreement to May 31, 1981. Negotiations are continuing for an agreement at the Western Division.

The outlook for the remainder of the year will continue to be affected by excess capacity in the industry resulting in continued price cutting. While new bookings have increased recently, the volume of work being obtained does not as yet provide sufficient volume to ensure satisfactory earnings.

JOSEPH M. TANENBAUM,
President and Chief Executive Officer



Bridge & Tank

COMPANY OF CANADA LIMITED

INTERIM REPORT

First Half 1978
To Our Shareholders

We submit below a summary of the results (unaudited) for the first six months of 1978 as compared with those in the same period of 1977.

	<u>6 Months to June 30</u>	
	<u>1978</u>	<u>1977</u>
Sales.....	\$11,234,355	\$11,028,345
Earnings before Depreciation, Profit on Disposal of Assets, and Taxes on Income	521,964	837,075
Provision for Depreciation.....	354,899	427,400
	167,065	409,675
Profit on Disposal of Assets.....	92,179	78,515
Earnings before Taxes on Income	259,244	488,190
Taxes on Income		
Current	18,715	33,135
Deferred.....	53,982	181,813
	72,697	214,948
NET EARNINGS	\$ 186,547	\$ 273,242
Earnings per Common Share....	.13	.22

BRIDGE & TANK COMPANY OF CANADA LIMITED
AND SUBSIDIARY COMPANIES

Consolidated Statement of Changes in Financial Position (Unaudited)
Six months ending June 30, 1977 (with comparative figures for 1976)

	<u>1977</u>	<u>1976</u>
FUNDS PROVIDED FROM OPERATIONS		
Net Earnings	\$ 273,142.	\$ 444,817.
Add:		
Depreciation	427,400.	411,150.
Deferred Taxes	314,995.	451,113.
Gain on Sale of Assets	(78,515.)	(1,669.)
Funds Provided from Operations.....	<u>937,122.</u>	<u>1,305,411.</u>
Proceeds from Sale of Assets	94,604.	68,000.
TOTAL FUNDS PROVIDED.....	1,031,726.	1,373,411.
 Funds Applied		
Purchase of Fixed Assets	560,242.	250,620.
Dividends on Preference Shares	92,849.	46,425.
Reduction of Long Term Debt	46,560.	46,560.
 TOTAL FUNDS APPLIED	699,651.	343,605.
 Increase in Working Capital	<u>\$ 332,075.</u>	<u>\$1,029,806.</u>



Bridge & Tank

COMPANY OF CANADA LIMITED

Net earnings for the six months ended June 30, 1976 were \$444,817. (.38 per common share) on sales of \$8,568,022. compared to earnings of \$268,972. (.21 per common share) on sales of \$8,997,436. for the same period in 1975.

All divisions operated at a profit for the period with substantial increases in earnings in the Hamilton division and the crane rental division. Earnings for the Western division were below that of the previous year resulting from the depressed market conditions of the construction industry in the Manitoba area.

The Company's order backlog at June 30, 1976 was \$6,000,000. in the Hamilton division and \$700,000. in the Western division sufficient to ensure full operation through the fourth quarter in the Hamilton division and through the third quarter in the Western division. The reduced backlog reflects the uncertainty in the business and corporate sectors due to the proposed new restraints on profits laid down by the Anti-Inflation Board, while allowing labour increases to far outstrip those in the United States. This government policy has resulted in removing the incentive for business to spend on new plant and equipment and other capital investments which are so vital to the survival of a healthy Canadian economy.

Your company is actively promoting its products and engineering capabilities in export markets and has recently been awarded two contracts for export in the \$200,000. to \$400,000. range.

With respect to the negotiations with the United Steelworkers covering the hourly rated employees of the Hamilton division, a memorandum of agreement was signed August 14, 1976. Subsequently the Union membership failed to ratify the agreement recommended by their negotiating committee and a strike went into effect August 16, 1976. Negotiations covering the hourly rated employees of the Western division are continuing.

Earnings for the third and fourth quarters will be adversely affected by the duration of the strike at the Hamilton Plant. Providing that the strike may not be too prolonged, and with the continued effort to reduce costs and improve efficiency, we are confident that satisfactory earnings will be maintained.

H. TANENBAUM,

Chairman of the Board.



Bridge & Tank

COMPANY OF CANADA LIMITED

INTERIM REPORT

First Half 1976

To our Shareholders:

We submit below a summary of the results (unaudited) for the first six months of 1976 as compared with those in the same period of 1975.

6 Months to June 30

	1976	1975
Sales	\$8,568,022.	\$8,997,436.
Earnings Before Depre- ciation, Profit on Dis- posal of Assets, and Taxes on income	1,215,150.	789,972.
Provision for Depreciation .	411,150.	331,429.
	804,000.	458,543.
Profit on disposal of assets	1,669.	25,232.
Earnings before taxes on Income	805,669.	483,775.
Taxes on Income		
Current	49,405.	15,908.
Deferred	311,447.	199,705.
	360,852.	214,803.
NET EARNINGS	444,817.	268,972.
Earnings Per Common Share	.38	.21

BRIDGE & TANK COMPANY OF CANADA LIMITED
AND SUBSIDIARY COMPANIES

Consolidated Statement of Changes in Financial Position (Unaudited)
Six months ending June 30, 1976 (with comparative figures for 1975)

	<u>1976</u>	<u>1975</u>
FUNDS PROVIDED FROM OPERATIONS		
Net Earnings	\$ 444,817.	\$ 268,972.
Add:		
Depreciation	411,150.	331,429.
Deferred Taxes	451,113.	199,705.
Gain on Sale of Assets	(1,669.)	(25,232.)
Funds Provided From Operations	1,305,411.	774,874.
Proceeds from sale of Assets	68,000.	56,650.
Reduction in Mortgage Receivable	—	30,726
TOTAL FUNDS PROVIDED	1,373,411.	862,250.
 Funds Applied:		
Purchase of Fixed Assets	250,620.	355,816.
Dividends on Preference Shares	46,425.	46,425.
Reduction Long Term Debt	46,560.	—
 TOTAL FUNDS APPLIED	343,605.	402,241.
 Increase in Working Capital	1,029,806.	460,009.



Bridge & Tank

COMPANY OF CANADA LIMITED

Net earnings for the six months ended June 30, 1975 were \$268,972 on sales of \$8,997,436 compared to restated earnings of \$91,122 on sales of \$9,457,116 for the same period in 1974. Restated earnings for 1974 reflect the carry back of earnings to the previous year's operations resulting from the change in accounting method to the percentage completion basis.

Mr. Joseph M. Tanenbaum was elected President of the Company, effective May 1, 1975, and immediately initiated an intensive program to reduce operating costs and improve efficiency in the Hamilton division.

All divisions operated at a profit for the period with significant improvement in earnings for the Hamilton division and the Western division. The improvement in earnings results from contracts being processed that were booked at more satisfactory price levels, together with the cost reduction program referred to previously. Earnings for the Crane Rental division were reduced compared to the same period last year due to the lower level of construction activity.

A new two year contract with the Iron Workers Union representing the field erection employees was signed May 23, 1975 effective to April 30, 1977. The Crane Rental division agreement with the hoisting engineers expired May 31, 1975 and negotiations are proceeding, and at this time a settlement appears remote.

The outlook for the balance of 1975 appears favourable with demand for heavy fabrications and mechanical products continuing strong.

The Company's backlog at June 30, 1975 was \$11,700,000 in the Hamilton division and \$1,050,000 in the Western division, providing full plant operations for the remainder of 1975 for the Hamilton division and to the fourth quarter for the Western division.

The program to reduce costs and increase efficiency is continuing and should contribute to further improvement in the Company's earnings.

August 28, 1975

H. TANENBAUM,
Chairman of the Board.



INTERIM REPORT

First Half 1975

To our Shareholders:

We submit below a summary of the results (unaudited) for the first six months of 1975 as compared with those in the same period of 1974.

	6 Months to June 30	
	1975	1974 (restated)
Sales	\$8,997,436	\$9,457,116
Earnings before Depre- ciation, Profit on Dis- posal of Assets, and Taxes on income	789,972	451,380
Provision for Depreciation	331,429	289,557
	458,543	161,823
Profit on Disposal of Assets	25,232	20,778
Earnings before taxes on Income	483,775	182,601
Taxes on Income		
Current	15,098	34,289
Deferred	199,705	57,190
	214,803	91,479
NET EARNINGS	268,972	91,122
Earnings Per Common Share	.21	.04

BRIDGE & TANK COMPANY OF CANADA LIMITED
AND SUBSIDIARY COMPANIES

Consolidated Statement of Changes in Financial Position (Unaudited)
Six months ending June 30, 1975 (with comparative figures for 1974)

	1975	1974 (restated)
FUNDS PROVIDED FROM OPERATIONS:		
Net Earnings	\$268,972	\$ 91,122
Add:		
Depreciation	331,429	289,557
Deferred Taxes	199,705	57,190
Gain on Sale of Assets	(25,232)	(38,430)
Funds Provided from Operations	774,874	399,439
Proceeds from Sale of Assets	56,650	227,766
Proceeds from Sale of Investments	—	200,000
Reduction in Mortgage Receivable	30,726	5,340
Total Funds Provided	862,250	832,545
FUNDS APPLIED:		
Working Capital of Subsidiary Companies Sold	—	149,769
Purchase of Fixed Assets	355,816	715,122
Dividends on Preference Shares	46,425	46,425
	—————	—————
	402,241	911,316
Increase (Decrease) in Working Capital	460,009	(78,771)
	—————	—————



Bridge & Tank

COMPANY OF CANADA LIMITED

Net earnings for the six months ending June 30, 1974 were \$147,274 on sales of \$12,058,734 compared to restated net earnings of \$268,236 for the same period in 1973. The Company has changed its method of accounting from the completed contract basis to the percentage completion basis. Under the new method the earnings on contracts not yet completed are included in the statement of earnings whereas under the completed contract method previously used, the earnings statement included only the earnings on contracts substantially completed. The change was affected because the new method provides a more realistic presentation of the company's performance. The effect of this accounting change on the current period increased sales by \$1,667,000 and net earnings by \$34,000 and for the same period in 1973 sales increased by \$825,000 and net earnings by \$27,000. The reduced earnings are attributable to contracts booked at normal profit margins in 1973, and these were adversely affected by the rapid escalation of materials and financing costs in the latter part of 1973 and continuing into 1974. These contracts were essentially completed in the first six months and work being done in the last half of the year should be at more favourable profit margins.

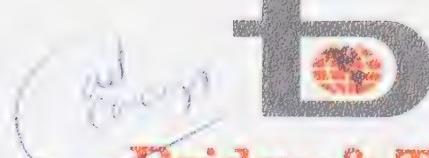
Agreements with the United Steelworkers covering the hourly workers at the Winnipeg and Hamilton fabricating plants were reached on June 17 and July 18th 1974 respectively. A period of labour stability in the fabricating plants should therefore be assured until June 1976.

On April 30, 1974 the Company sold its interest in two wholly owned subsidiaries, Ford-Smith Machine Company Limited and Ford-Smith Compagnie Limitee essentially at their net book value. The nature of the operations of these subsidiaries did not complement the parent company's operations and the directors feel that the proceeds of the disposal and the physical space occupied by these operations can be used more profitably in the structural and mechanical divisions.

The company's backlog is currently \$12,800,000 in the Hamilton Bridge division and \$1,800,000 in the Bridge & Tank Western Division. Demand for the company's products remains strong with prices being obtained at a more satisfactory level. The effect of these prices will be realized on contracts that are processed in the latter part of the year.

H. TANENBAUM,
Chairman of the Board.

August 28, 1974



Bridge & Tank

COMPANY OF CANADA LIMITED

INTERIM REPORT

6 month to June 30, 1974

1974 1973
restated

Sales	\$12,058,734.	\$10,113,132.
Earnings before extraordi-		
nary items, depreciation,		
profit on disposal of fixed		
assets and taxes on income.	549,352.	731,866.
Provision for depreciation .	<u>289,557.</u>	<u>262,696.</u>
Profit on disposal of		
fixed assets	✓ 259,795.	✓ 469,170.
	21,027.	55.
Earnings before extraordi-		
nary item and taxes on		
income	280,822.	469,225.
Taxes on Income		
Current	76,109.	206,940.
Deferred	57,190.	(5,951.)
	<u>133,299</u>	<u>200,989</u>
Earnings before outstanding		
items	✓ 147,523.	✓ 268,236.
Extraordinary items -		
Disposal of Subsidiaries		
Loss on sale of investment		
in subsidiary companies .	(8,079.)	-
Profit on sale of assets net		
of applicable income taxes		
\$8,539.	7,830.	-
	<u>7,830.</u>	<u>-</u>
	(249.)	
Net Earnings	<u>147,274.</u>	<u>268,236.</u>
Earnings per Common Share	.10	.21

BRIDGE & TANK COMPANY OF CANADA LIMITED
AND SUBSIDIARY COMPANIES

Consolidated Statement of Source and Application of Funds (unaudited)

Six Months ended June 30, 1974 (with Comparative Figures for 1973)

	<u>1974</u>	<u>1973</u> restated
Funds Provided:		
From Operations—		
Net earnings	\$147,274.	\$268,236.
Add:		
Depreciation	289,557.	262,696.
Deferred taxes	57,190.	(5,951.)
Other transactions not requiring an outlay of cash	(38,430.)	2,725.
Funds provided from operations	<u>455,591.</u>	<u>527,706.</u>
Fixed Assets of subsidiaries at date of disposal	69,751.	—
Proceeds from Sale of fixed assets	227,766.	46,250.
Proceeds from Mortgage receivable	5,340.	5,339.
Total funds provided	<u>758,448.</u>	<u>579,295.</u>
Funds Applied:		
Purchase of fixed assets	715,122.	766,423.
Dividends on Preference Shares	46,425.	23,212.
Reduction of Long term debt	—	205,724.
	<u>761,547.</u>	<u>995,359.</u>
Increase (decrease) in Working Capital	(3,099.)	(416,064.)



Bridge & Tank

COMPANY OF CANADA LIMITED



Bridge & Tank

COMPANY OF CANADA LIMITED

INTERIM REPORT

Net earnings for the six months ending June 30, 1973 were \$241,117 on sales of \$9,287,702 compared to net earnings of \$266,347 on sales of \$10,441,617 for the same period in 1972. The decrease in sales and earnings is attributable to the lower sales volume in the Winnipeg plant due to the continued depressed market for structural steel in the provinces of Manitoba and Saskatchewan which resulted in a loss in this division. There was also a modest loss in the crane rental division. All other divisions operated with increased profits compared to the same period last year.

A new two year agreement with the Ironworkers Union, representing the field erection employees, was signed July 16, 1973 effective to April 30, 1975. The agreement with the operating engineers expired May 1, 1973 and a work stoppage in the crane rental division has been in effect since July 17, 1973. Negotiations are proceeding and it is expected an agreement will be reached soon.

The outlook for the balance of 1973 and well into 1974 appears favourable. The combined backlog at June 30, 1973 was \$11,925,000. The Winnipeg plant very recently booked contracts for 1,100 tons of structural steel indicating a slight improvement in the Western market. With the enactment of legislation relating to the reduction of corporate tax rates from 49% to 40% on manufacturing and processing profits, and the faster write off of the capital cost of new manufacturing equipment, it is expected the demand for the company's structural and mechanical products will be stimulated.

The program of capital expenditures to increase efficiency and reduce costs in our plants is continuing and should contribute materially to improving the company's operations.

*Arnold
H. Tanenbaum*

August 28, 1973

H. TANENBAUM,
Chairman of the Board.

First Half 1973

To our Shareholders:

We submit below a summary of the results (unaudited) for the first six months of 1973 as compared with those in the same period of 1972.

	6 Months to June 30	
	1973	1972
Sales	\$ 9,287,702.	\$ 10,441,617.
Earnings before depreciation, profit on disposal of fixed assets, and taxes on income.	683,085.	755,546.
Provision for depreciation	262,696.	227,985.
	420,389.	527,561.
Profit on disposal of fixed assets	55.	5,131.
Earnings before taxes on Income	420,444.	532,692.
Taxes on Income		
Current	206,940.	196,948.
Deferred	(27,613.)	69,397.
	179,327	266,345.
Net Earnings	\$ 241,117.	\$ 266,347.
Earnings per common share . . . . .	.19	.21

BRIDGE & TANK COMPANY OF CANADA LIMITED
AND SUBSIDIARY COMPANIES

Consolidated Statement of Source and Application of Funds (unaudited)
Six Months ended June 30, 1973 (with Comparative Figures for 1972)

	<u>1973</u>	<u>1972</u>
Funds provided:		
From operations—		
Net earnings	\$ 241,117.	\$ 266,347.
Add:		
Depreciation	262,696.	227,985.
Deferred taxes	(27,613.)	69,397.
Other transactions not requiring an outlay of cash	2,725.	(2,406.)
	<hr/>	<hr/>
Funds provided from operations	478,925.	561,323.
Proceeds from sale of fixed assets	46,250.	17,757.
Proceeds from mortgage receivable	5,339.	5,355.
Regional Incentive Grant	—	6,264.
	<hr/>	<hr/>
Total funds provided	530,514.	590,699.
Funds applied:		
Purchase of fixed assets	766,423.	388,062.
Reduction of long term debt	205,724.	34,092.
Dividends of preference shares	23,212.	46,425.
	<hr/>	<hr/>
	995,359.	468,579.
Increase (Decrease) in Working Capital	\$ (464,845.)	\$ 122,120.
	<hr/>	<hr/>



Bridge & Tank

COMPANY OF CANADA LIMITED

Net earnings for the first half of 1972 increased to \$266,347 on volume of \$10,441,617 from \$94,132 net earnings on volume of \$9,497,594 for the same period last year. This is 21c per share as against 5c per common share for the first half of 1971. This increase in net earnings is the result of our continuing program to increase efficiency and productivity. We expect this increase in earnings to be continued in the second half of the year despite the very depressed construction market in the Provinces of Manitoba and Saskatchewan which is hampering the efficient operations of our Winnipeg plant. All divisions operated at a profit with the exception of our crane rental division, which operated at a modest loss in this period compared with a substantial profit last year. This situation was common to the crane rental business and we are expecting an improvement in the second half of the year. The combined sales backlog at June 30, 1972, was \$12,841,000.

The Company's agreement with the United Steelworkers' Union representing the workers in our Hamilton Plant expired on May 31, 1972, and a new two year contract was ratified June 24, 1972. The union agreement covering plant-workers in Winnipeg expired June 30, 1972, and employees are now working without a contract while attempting to amicably reach agreement on a new contract.

The effort to stimulate the economy due to the recently revised Federal Budget has yet to be fully assessed. However, the fast write-off of the capital cost of new manufacturing equipment and the lower rate of income taxes on manufacturing income earned after December 31, 1972, are positive changes that should not only help to improve our Company's cash flow and net earnings in the near future, but also increase the market for the steel fabricating industry.

H. TANENBAUM,
Chairman of the Board.

August 30, 1972



Bridge & Tank

COMPANY OF CANADA LIMITED

INTERIM REPORT

First Half 1972

To our Shareholders:

We submit below a summary of the results (unaudited) for the first six months of 1972 as compared with those in the same period of 1971.

	6 Months to June 30	
	1972	1971
Sales	\$ 10,441,617.	\$ 9,497,594.
Earnings before depreciation, profit on disposal of fixed assets, and taxes on income	755,546.	378,155.
Provision for depreciation	227,985.	187,973.
	527,561.	190,182.
Profit on disposal of fixed assets	5,131.	10,000.
Earnings before taxes on income	532,692.	200,182.
Taxes on Income:		
Current	196,948.	55,141.
Deferred	69,397.	50,909.
	266,345.	106,050.
Net Earnings	\$ 266,347.	\$ 94,132.
Earnings per Common Share . . . . .	.21	.05

BRIDGE & TANK COMPANY OF CANADA LIMITED
AND SUBSIDIARY COMPANIES

Consolidated Statement of Source and Application of Funds (unaudited)
Six Months ended June 30, 1972 (with Comparative Figures for 1971)

	<u>1972</u>	<u>1971</u>
Funds provided:		
From operations—		
Net earnings	\$ 266,347.	\$ 94,132.
Add:		
Depreciation	227,985.	187,973.
Other transactions not requiring an outlay of cash .	(2,406.)	(7,276.)
	<hr/>	<hr/>
Funds provided from operations	491,926.	274,829.
Proceeds from sale of fixed assets	17,757.	10,000.
Proceeds from mortgage receivable	5,355.	5,183.
Deferred taxes	69,397.	50,909.
Regional Incentive Grant	6,264.	—
	<hr/>	<hr/>
Total funds provided	590,699.	340,921.
Funds applied:		
Purchase of fixed assets	388,062.	342,358.
Reduction of long term debt	34,092.	2,000.
Dividends on preference shares	46,425.	46,425.
	<hr/>	<hr/>
	468,579.	390,783.
Increase (Decrease) in Working Capital	\$ 122,120.	\$ (49,862.)
	<hr/>	<hr/>



Bridge & Tank

COMPANY OF CANADA LIMITED

Although our sales increased from \$6,849,763. in the first half of 1970 to \$9,497,594. in the same period this year, our earnings before extraordinary item decreased from \$120,193. in 1970 to \$94,132. in the current year. The lower profit margin is attributable to the extremely low volume of work in Western Canada which resulted in Bridge & Tank Western Ltd. suffering a small loss on operations in the first half of this year. We confidently expect that they will attain profitable operations in the second half of the year as they have a number of contracts including a large pulp mill to fabricate and erect at Grand Prairie, Alberta. All other divisions are operating at a profit.

The heating system of the Hamilton Plant is now being converted from coal to gas at a cost of \$150,000. The large smoke stack which occasionally emitted smoke in excess of the level defined in the Air Pollution Control Act has now been dismantled. We are pleased to report that this eliminates the only pollution problem in our operations.

Our field erection forces are represented by the International Association of Bridge, Structural and Ornamental Iron Workers and they have been negotiating a province wide labour agreement with The Ontario Erectors Association which represents approximately 160 firms that employ Iron Workers in Ontario. On July 22nd most of the Union members went on strike or did not report for work. We hope that a settlement will soon be reached so that we can resume our field operations in Ontario.

A comparative Statement of Source and Application of Funds for the first six months of 1971 is included.

Yours very truly,

J. A. DURFEY,
President.

July 28, 1971.



Bridge & Tank

COMPANY OF CANADA LIMITED

INTERIM REPORT

First Half 1971

To our Shareholders:

We submit below a summary of the results (unaudited) for the first six months of 1971 as compared with those in the same period of 1970.

	6 Months to June 30 1971	1970
Sales	<u>\$ 9,497,594.</u>	<u>\$ 6,849,763.</u>
Earnings before depreciation, profit on disposal of fixed assets, taxes on income and extraordinary item .	378,155.	396,097.
Provision for depreciation	187,973.	181,439.
	<u>190,182.</u>	<u>214,658.</u>
Profit on disposal of fixed assets	10,000.	5,092.
Earnings before taxes on income and extraordinary item	200,182.	219,750.
Taxes on Income:		
Current	55,141.	4,857.
Deferred	50,909.	94,700.
	<u>106,050.</u>	<u>99,557.</u>
Earnings before extraordinary item	94,132.	120,193.
Extraordinary item—Recovery of taxes on income due to losses carried forward from previous years	—	94,700.
Net Earnings	<u>\$ 94,132.</u>	<u>\$ 214,893.</u>
Earnings per Common Share:		
Before extraordinary item . . . . .	.05	.07
Net earnings to June 30, 1971 . . . . .	.05	.16

BRIDGE & TANK COMPANY OF CANADA LIMITED
AND SUBSIDIARY COMPANIES

Consolidated Statement of Source and Application of Funds (unaudited)
Six Months ended June 30, 1971 (with Comparative Figures for 1970)

	<u>1971</u>	<u>1970</u>
Funds provided:		
From operations—		
Net earnings	\$ 94,132.	\$ 214,893.
Add:		
Depreciation	187,973.	181,439.
Other transactions not requiring an outlay of cash .	(7,276.)	1,718.
	<hr/>	<hr/>
Funds provided from operations	274,829.	398,050.
Proceeds from sale of fixed assets	10,000.	9,845.
Proceeds from mortgage receivable	5,183.	15,456.
Deferred taxes	50,909.	—
	<hr/>	<hr/>
Total funds provided	340,921.	423,351.
	<hr/>	<hr/>
Funds used:		
Purchase of fixed assets	342,358.	164,540.
Reduction of long term debt	2,000.	186,000.
Dividends on preference shares	46,425.	—
	<hr/>	<hr/>
	390,783.	350,540.
	<hr/>	<hr/>
Increase (Decrease) in Working Capital	\$ (49,862.)	\$ 72,811.
	<hr/>	<hr/>